



SECRETARY OF THE ARMY  
WASHINGTON  
MAR 20 2002



MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Business Initiative Council (BIC)

The BIC is making remarkable progress in improving the Army's business operations and generating the savings that we can apply to higher priorities. Thanks to your efforts, the BIC members and I recently approved a third set of process improvement initiatives. These initiatives are described in the enclosed memo from the Under Secretary of Defense (Acquisition, Technology and Logistics).

While I am pleased with our results to date, I am also certain that the Army can do an even better job of identifying major new initiatives. Toward that end, I have tasked LTG Benjamin Griffin, the Deputy Chief of Staff, G-8, to work with you to generate additional major initiatives that we can implement within the Army and, if appropriate, export to all of DoD. Proposed initiatives can cover the whole range of process improvements, including the streamlining or elimination of processes that add no value to our mission, the elimination of burdensome and unnecessary rules and regulations (whether imposed by the Army or higher authority), and the adoption of new and better tools to help us do our jobs.

I encourage you to accelerate your efforts to achieve the kind of groundbreaking progress that our Army needs as we transform to the Objective Force. I look forward to reviewing your proposals in May.

Thomas E. White

Encl

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**SUBJECT: Business Initiative Council (BIC)**

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DEPARTMENT OF THE ARMY  
OFFICE OF THE DEPUTY CHIEF OF STAFF FOR PROGRAMS  
700 ARMY PENTAGON  
WASHINGTON, DC 20310-0700




REPLY TO  
ATTENTION OF

MEMORANDUM FOR THE SECRETARY OF THE ARMY

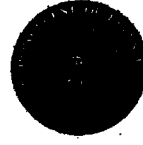
SUBJECT: Disseminating Business Initiative Council (BIC) Decisions—ACTION  
MEMORANDUM

1. On 6 February, the Secretary of the Army and other BIC members approved the third round of BIC process improvement initiatives. These decisions were captured in a memorandum (see Tab B) signed by the USD(AT&L) in his role as the BIC chairman. On 8 February, Mrs. Pack and I sent a joint memorandum to the MACOMs and HQDA Principals tasking them to submit proposals for new business initiatives (see Tab C). It is appropriate for the Secretary of the Army to sign a memorandum for Army-wide distribution, announcing these decisions and expressing his support of the continuing BIC effort, and to reinforce the message contained in the joint memo. The memo at Tab A has been prepared for this purpose.
2. Recommend the Secretary of the Army sign the memo at Tab A.

  
BENJAMIN S. GRIFFIN  
Lieutenant General, US Army  
Deputy Chief of Staff, G-8



DEPARTMENT OF DEFENSE



BUSINESS INITIATIVE COUNCIL (BIC)

February 8, 2002

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS  
CHAIRMAN OF THE JOINT CHIEFS OF STAFF  
UNDER SECRETARIES OF DEFENSE  
DIRECTOR DEFENSE RESEARCH AND ENGINEERING  
ASSISTANT SECRETARIES OF DEFENSE  
DEPARTMENT OF DEFENSE GENERAL COUNSEL  
DEPARTMENT OF DEFENSE INSPECTOR GENERAL  
DIRECTOR OF OPERATIONAL TEST AND EVALUATION  
DIRECTORS OF THE DEFENSE AGENCIES

SUBJECT: Business Initiative Council's (BIC) Approval of Initiatives

The BIC Executive Steering Committee and Executive Directors briefed members of the BIC (the Secretaries of the Military Services, the Vice Chairman of the Joint Chiefs of Staff, and I) on February 6, 2002 and requested approval for the third set of initiatives. At the conclusion of the meeting, the BIC approved 4 new initiatives, all of which are summarized in the attachment to this memorandum. The BIC champions for these 4 initiatives are hereby authorized to develop and launch their implementation plans. While undertaking these efforts, they carry my authority, on behalf of the Senior Executive Council, which is chaired by the Secretary of Defense. I, therefore, expect the full support and cooperation of all staffs across the Department.

Approval of this third set of initiatives continues the phased effort by the BIC to identify and implement ideas to improve the way we conduct our business. The BIC will continue to work collaboratively and continuously to bring good ideas forward for consideration. Improving the Department's business operations ultimately takes the collaborative efforts of leadership and the participation and support of our total workforce. To this end, the BIC members are committed to support the DoD champions during implementation and the BIC boards as they continue their search for promising new ideas to sharpen DoD business processes.

E. C. ALDRIDGE, JR.

Chairman

Attachment:  
As stated

BUSINESS INITIATIVE COUNCIL

Chairman: Under Secretary of Defense for Acquisition, Technology &

Logistics: The Honorable E. C. Aldridge, Jr.

Secretary of the Navy: The Honorable Gordon R. England

Secretary of the Air Force: The Honorable Dr. James G. Roche

Secretary of the Army: The Honorable Thomas E. White

Vice Chairman of the Joint Chiefs of Staff: General Peter Pace

## **ATTACHMENT:**

### **SUMMARY OF APPROVED INITIATIVES (RESULTS OF BIC MEETING, 6 FEBRUARY 2002)**

#### **Acquisition Management Processes:**

**Title: Commercialize Military-Developed Systems**

**Description of Initiative:** DoD has successfully leveraged commercially developed products for military use. For wartime planning, commercial aircraft in the Civil Reserve Air Fleet (CRAF) provide 93% of pax airlift, 37% of the cargo airlift and 0% of outsize airlift. CRAF saves the DoD billions of dollars in ownership costs.

**Required Policy Changes/Approach:** Adopt proposed Commercial Application of Military Airlift Aircraft (CAMAA) acquisition strategy to demonstrate this commercialization initiative.

**Endorse current FY03 legislative language required to implement CAMAA. Request OUSD (C) aid in development of innovative scoring for aircraft buy-back or loan guarantee.**

**Responsible DoD Champion: Air Force**

**Title: Commercializing Acquisition: Raise TINA Thresholds**

**Description of Initiative:** Truth in Negotiations Act (TINA) requires certified cost or pricing data to be submitted for contracts unless: there is adequate price competition; the prices are set by law or regulation; or, a commercial item is being acquired. The current threshold for TINA applicability is \$550K. CAS reform legislation initiates applicability at \$7.5M.

**Required Policy Changes/Approach:** Draft legislative language to raise the threshold and process for legislation to reach the Hill TBD by AT&L.

**Responsible DoD Champion: ASD (AT&L).**

**Title: Virtual IT Marketplace**

**Description of Initiative:** Currently Defense customers have numerous stand-alone alternatives to shop for IT products and services.

**Required Policy Changes/Approach:** None. Update DoD directives, as necessary, and implement a Virtual IT Marketplace (VITM) portal to extend the DoD Enterprise Software Initiative (ESI) to include IT hardware and selected services using GSA.

**Responsible DoD Champion: ASD (C3I) / DoD CIO**

**People Processes:**

**Title:** Streamline the General Officer/Flag Officer Nomination Process

**Description of Initiative:** Simplify the nomination process and allow the Services to make timely and flexible moves of General/Flag Officers

**Required Policy Changes/Approach:** Pending decision from OUSD (P&R) study group

**Responsible DoD Champion:** JCS